SALARY AND REMUNERATION REPORT

This salary and remuneration report of Metsä Board Corporation (Metsä Board or the Company) has been issued pursuant to recommendations concerning reporting of the Finnish Corporate Governance Code 2015. The description on remuneration principles and decision-making is updated on a regular basis, two times every calendar year as a starting point, however, always in March in connection with the annual Corporate Governance Statement. A report regarding the fees paid out during the previous financial year is also published at the same time.

DECISION-MAKING AND PRINCIPLES OF REMUNERATION

The purpose of the management's compensation system is to compensate management in a fair and competitive way for a successful and profitable implementation of the Company's strategy. The objective of remuneration is also to encourage management in the development of the Company's strategy and business to thereby act for the benefit the Company in the long run.

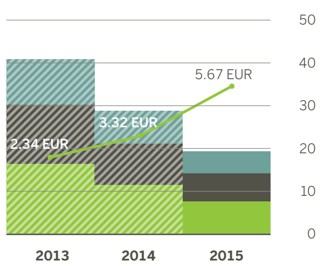
The Annual General Meeting of the Company decides on the remuneration of the Board of Directors. The Nomination and Remuneration Committee presents the General Meeting with proposals for remuneration of the Board of Directors, taking into account the Company's financial standing at a given time and, among other things, remuneration guidelines in other comparable companies. The Board of Directors for its part approves the salary and compensation of the CEO and the principles applied in the compensation of other Corporate Management Team members. The Board further approves the structures and basis as well as applicable criteria for the Company's remuneration and incentive schemes and the target setting of the applicable criteria at a given time. The Nomination and Compensation Committee assists the Board in matters relating to management remuneration, conditions of employment and engagement of management members as well as prepares Board decisions relating to management remuneration. The CEO acting in cooperation with the Chairman of the Board decides on matters related to the compensation of other senior management members in accordance with the principles approved and guidance issued by the Board.

FINANCIAL BENEFITS

BOARD OF DIRECTORS

The Annual General Meeting held in March 2015 resolved to increase the annual remuneration of the members of the Board of Directors by approximately 15 per cent. Thus, the Chairman received an annual remuneration of EUR 88,000, the Vice Chairman EUR 74,200 and members EUR 58,000. One half of the remuneration was decided to be paid in cash while the other half was to be paid in the Company's B-series shares to be acquired from the stock exchange between 1 and 30 April 2015. As a result, the Chairman received 7,762, the Vice Chairman 6,544 and each Board member 5,115 B-series shares. The Board members are not allowed to transfer these shares within a period of two years from the grant date. The amount of the cash consideration corresponds to the estimated withholding tax. In addition, the Annual General Meeting resolved to pay to the members a remuneration of EUR 600 per each attended Board and committee meeting. Travel expenses of the Board are compensated according to the Company's travel policy. Further, the Annual General Meeting decided that an additional monthly compensation of EUR 800 be paid to the Chairman of the Audit Committee. The Nomination and Compensation Committee of the Board of Directors proposes to the Annual General Meeting convening on March 23, 2016 that the remuneration be kept unchanged and also that the practice of paying the remuneration in shares and in cash be continued. The Board's annual remuneration remained unchanged between 2006 and 2014 and has been paid in shares and cash since 2009.

BOARD OF DIRECTORS' SHARE REMUNERATION
1,000 SHARES



Board of Directors' share remuneration was kept unchanged in 2006–2014.

CHIEF EXECUTIVE OFFICER

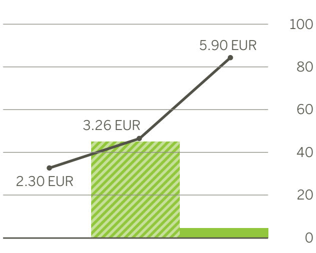
The Board of Directors appoints and discharges the Company's CEO. The CEO has a written service contract approved by the Board. The Board monitors the CEO's performance and provides a specific performance evaluation once a year. The Board can discharge the CEO without a specific reason. The CEO can also resign from his assignment. The mutual term of notice is six months. The Board may, however, decide to discharge the CEO without a period of notice. When the service contract of the CEO is terminated by the Board, the CEO is entitled to receive discharge compensation equal to his 12-month salary.

The contractual retirement age of the CEO is 62 years. The Company has commissioned an extra pension insurance policy for the CEO, covering the period between the contractual and statutory retirement age of 63 years and entitling the CEO to receive pension compensation equal to 60 per cent of his salary at the time of retirement (calculated in accordance with Finnish pension laws) on the basis of a five-year-period preceding the moment of retirement. The combined cost to the Company of the statutory pension contributions and voluntary pension insurance policies of the CEO amounted in 2015 to EUR 328,450 (EUR 663,132 in 2014 and 413,599 in 2013). In case the service relationship of the CEO is terminated prior to retirement, the CEO is entitled to a free policy.

Short-term compensation

The monthly salary of CEO Mika Joukio is EUR 37,000. The salary includes car and mobile phone benefits and an extended travel and accident insurance policy. In addition, the Board may, in accordance with the CEO's service contract, decide that the CEO receives bonus pay based on his overall performance and corresponding to his seven (7) month salary. In 2015 the CEO Joukio received a total of EUR 662,483 in salary, bonuses and other benefits (including share incentives) (CEO Helander received EUR 894,616 in the period between January 1 and October 31 2014 and 606,534 in 2013), of which EUR 469,711 (Helander EUR 444,183 in 2014 and EUR 535,130 in 2013) was fixed compensation and EUR 165,319 (Helander EUR 130,383 in 2014 and EUR 71,404 in 2013) was short-term bonus pay and EUR 27,453 (Helander EUR 146,480 in 2014 and EUR 0 in 2013) share incentives. CEO Joukio received EUR 116,262 in fixed compensation in the period between October 1 and December 31, 2014.

SHARE REMUNERATION OF THE CEO
1,000 SHARES



Share remuneration
Share price development

* Change of CEO in 2014

Long-term compensation

See CEO's long-term share remuneration under "Corporate Management Team – Long-term Compensation".

CORPORATE MANAGEMENT TEAM

Also other Corporate Management Team members have written employment contracts. The period of notice of Corporate Management Team members is six months. Termination of employment without cause entitles members of the Corporate Management Team to receive discharge compensation equal to their 6 to 12-month salary.

Excluding the CEO, Corporate Management Team members have no extraordinary pension arrangements which would deviate from applicable pension legislation. According to Finnish pension legislation, a person has the option to retire between the ages of 63 to 68. The Finnish TyEL pension system provides for a retirement benefit based on years of service and earnings according to the prescribed statutory system. For purposes of the Finnish pension system earnings include salary, bonuses and fringe benefits but exclude share or stock option based income.

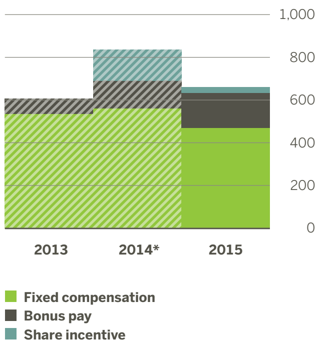
Short-term compensation

In 2015, other Corporate Management Team members received a total of EUR 1,889,873 (EUR 1,578,817 in 2014 and EUR 1,336,651 in 2013) in salary and bonuses of which EUR 1,154,996 (EUR 1,156,109 in 2014 and EUR 1,192,652 in 2013) were fixed salaries and benefits (car and mobile phone) and EUR 454,030 (EUR 180,484 in 2014 and EUR 143,999 in 2013) short-term bonus pay and EUR 280,846 (EUR 242,224 in 2014 and EUR 0 in 2013) share incentices. The members of the Corporate Management Team are entitled to bonus pay corresponding to a maximum of their respective 6-month salaries. The bonus pay is defined and decided by the Board and the CEO and was in the financial years 2013–2015 based on the Company's and its business areas' (business area heads) operating results (EBIT), and on personal targets. In 2016 the bonus pay is based on the Company's and its functions' operating results (EBIT) and cash flow development, as determined by the Board of Directors.

Long-term compensation

In December 2010, the Board of Directors approved the current share-based incentive plan. The aim of the plan is to combine the objectives of shareholders and executives in order to increase the value of the company, to commit the executives to perform the mutual strategy, and to offer them a competitive reward plan based on share ownership. The plan consists of three consecutive three-year earnings periods, namely calendar years 2011–2013, 2012–2014 and 2013–2015. At the beginning of each period, the Board of Directors decided on the earnings criteria and defined performance targets. The potential reward from the plan for each of the earnings periods is based on Metsä Board Group's equity ratio at the end of the period as well as the development of return on capital employed (ROCE) and earnings before interest and taxes (EBIT) during each earnings

COMPENSATION OF THE CEO
1,000 EUR



* Change of CEO in 2014

period. Each earnings period is followed by a two-year restriction period during which a participant is not entitled to transfer or dispose of the shares.

The Board confirmed in January 2014 that the result for the earnings period 2011–2013 was 45 per cent, based on which 125,750 B-series shares were paid to participants in the spring of 2014 at the price of EUR 3.26, of which 45,000 shares to CEO Helander. Similarly the Board confirmed in February 2015 that the result for the earnings period 2012–2014 was 33,5 per cent, based on which 62,533 B-series shares were paid to participants in February 2015 at the price of EUR 5.90. CEO Helander was not entitled to any shares since his service relationship with the company ended during the earnings period. CEO Joukio was entitled to 4,653 shares for the time period August 1 through December 31, 2014. The Board of Directors confirmed in February 2016 that the result for the earnings period 2013–2015 was 74.4 per cent, based on which a total of 160,074 B-series shares will be paid to participants in spring 2016. Of these 36,187 will be paid to CEO Joukio. The proportion to be paid in cash covers taxes and other tax-related costs. At the beginning the plan concerned 9 individuals, including all members of the Corporate Management Team.

The Board decided in December 2013 to continue the share-based incentive scheme for management. The aim of the plan is to combine the objectives of shareholders and executives in order to increase the value of the company, to commit the executives to perform the mutual strategy, and to offer them a competitive reward plan based on share ownership. The plan consists of three consecutive three-year earnings periods, namely calendar years 2014–2016, 2015–2017 and 2016–2018. At the beginning of each period, the Board of Directors decided on the earnings criteria and defined performance targets. The potential reward from the plan for each of the earnings periods is based partly on Metsä Board Group's equity ratio at the end of the period as well as the development of return on capital employed (ROCE) and operating results (EBIT) and partly based on corresponding indicators for Metsä Group, as determined by the Board for each earnings period. Each earnings period is followed by a two-year restriction period during which a participant is not entitled to transfer or dispose of the shares.

The potential reward for the earnings period 2014–2016 will be paid in 2017 and is at the start of the period a maximum of 378,335 B-shares. The potential reward for the earnings period 2015–2017 will be paid in 2018 and is at the start of the period a maximum of 265,000 B-shares. Respectively, the reward for the earnings period 2016–2018 will be paid in 2019 and is at the start of the period a maximum of 243,750 B-shares. The amount of the annually paid reward may be limited. Changes in participants such as the appointment of a new CEO in the fall of 2014 and changes to Corporate Management Team members in January 2015 do however have an effect on the maximum number of shares available.